"... Now, it may be that Mr. Sapp received free medical care from the county, but the hospital was never paid for it ..."

Os: I'm beginning to get the picture, You used the expression "private patient" several times. What do you mean by that?

A: Put simply, a private patient is one who has a private doctor, whom he pays for treatment. There are really two general classifications of patients at Richland Memorial...private and staff..."staff" means one of two things. Either you have a staff doctor, one paid by the hospital who works there part or full time, or you have a private doctor who sees you as a "staff patient" to keep up his admitting privileges.

Generally, private doctors see staff patients with "medical" diagnoses, that is, illnesses which do not come under any of the staff residency programs, which include OB-Gyn, Orthepedics, General Surgery, and Pediatrics; or which require a specialist which the hospital does not have on its staff...psychiatry, for instance.

Presumably, if you are a staff patient being treated by a private physician, you do not have to pay for his services, but I know of instances when the patient was required to pay the doctor. Patients generally are not aware they don't have to pay these doctors.

Os: How do you get a staff doctor?

A: Again, the answer is rather involved. Patients who attend the hospital clinics and are admitted by the clinics are assigned staff doctors there. Emergency room patients who are either unable to communicate the name of their private physician or who don't have one, are assigned a staff doctor on admission. Most private doctors receive their staff cases through the emergency room

I should say that in order to receive county assistance, you must be classified as a staff patient; I assume the logic is that patients who can afford private doctors don't need assistance. Of course, this is patently absurd, as poor people often have a family physician.

This requirement by the county often causes complications ... for one thing, it often forces the hospital business office to spend a great deal of time chasing down private doctors and requesting that they change a patient to a "staff" classification — which means the doctor either turns the patient over to the hospital residents or at least tacitly agrees to treat the patient for nothing. If the doctor refuses to change the patient's classification, there is little the hospital can do but force the patient to pay or accept the loss.

Os: I assume from all you have said thusfar, then, that the greatest loss to the hospital comes from the patients classified as "staff?"

A: Certainly the greatest portion of the loss comes from staff cases, but the poor and shiftless are by no means the only people who don't pay their hospital bills.

When I read the recent newspaper stories about the money crisis at Richland Memorial, I was amused at the indignation of several of the county councilmen I know of at least one councilman currently serving who had a bill written off because he refused to pay it. Of course he was never turned over to a collection bureau, and I seriously doubt if many attempts were made to collect the bill, which as I remember was relatively small.

Frankly, the hospital is subject to a great deal of political pressure and I think a lot of the adminstrative types are intimidated, particularly in situations such as this.

Os. Care to name any names?

A: Well, as far as the councelman goes, the bill was small, and I might be accused of nitpicking. I will tell you of another case, however, which I can back up with documents, that indicates, it is not only the poorer patients who do not pay their bills, and that the political pressure I mentioned before is readily descernable.

I should say first of all that the hospital's general collection procedures work like this: you are more or less required to have a $400 deposit or coverage at the time of admission. If you appear financially secure, these requirements are usually relaxed and often the hospital will simply bill you.

Let me give you an example. Suppose you had a hospital bill of $1000.00 at the time of discharge. You have no insurance. The average patient is interviewed; the financial counselor attempts to secure as much of the bill as possible in cash and then sets up a no-interest promissory note or wage assignment for the balance.

If you cannot pay any of the bill at discharge and the counselor suspects you will not pay it later, you will often be told you cannot be "discharged" until better arrangements are made. This may mean a co-signer, or the securement of a loan from a loan company, etc. Now, the hospital cannot prevent you from leaving, they simply will not discharge you as having made the necessary arrangements. You can walk out and no one will stop you. But if you are an average citizen, without any political pull in the county, you have definitely endangered your credit rating. You will eventually be faced with either paying your bill or having a bad credit reference placed on your files at a local collection agency. These agencies are generally tied in with a large network of similar companies and are capable of transmitting the bad credit information to almost anywhere you might conceivably go.

And of course, even if you pay the credit or collection agency, you still run the risk of not having your records properly cleared, something a great many people have experienced in dealing with credit bureaus.

I remember one lady called me last year sometime and was very upset because a collection agency had contacted her concerning an account she supposedly owed the hospital from 1966 for something like $135.00. She claimed she didn't owe the bill and knew nothing about it. Well, the hospital had no way of checking on the account, as their credit records prior to 1969 when they had the first financial crisis are a hopeless mess. Yet the bureau was demanding payment, six years after the bill was supposedly incurred.

This is the sort of thing that can happen when businesses use collection agencies to handle their accounts. And a lot of patients are turned over to the credit bureaus even though they have adequate coverage.

Os: I haven't forgotten about the names you were going to name, but that interests me. How does it happen?

A: Generally because of bureaucratic foul-up on the part of an insurance company, or a governmental agency which causes a delayed payment to the hospital. After a certain period of time, the hospital's credit department begins to bill the patient, whether or not they have coverage. Patients often ignore these billings, confident that they have insurance, etc. The billings are sent out by computer and do not tell the patient any specifics, but simply contain one of a series of stock threats which are programmed to appear according to the age of the bill.

I don't want to dwell on this, but it causes a tremendous amount of strife for patients, particularly those who have no other way to pay the bill. Just recently, an uneducated, 73-year-old lady came to me in tears because she had received a billing which stated: "We have tried to handle your account in the most courteous way possible. Since their has been no remittance from previous letters, there is no alternative but to turn this account over to a collection agency or attorney."

I think that's Threat No. 10. Now this lady had both Medicare and Medicaid, which is enough insurance to pay 90 days of hospital care in full. She was in the hospital for three days. It turned out that something went wrong with the billings. But there's no excuse for this sort of threat when a simple letter stating that a billing problem had occurred would have straightened things out.

Os: What about the case you were going to tell me about earlier.

A: Well, I wanted to give you this background first, so you can see what it really means to be a V.I.P.

Mr. Joseph Sapp, who was until recently the county attorney, and who is reputed to be a powerful political figure in the county has had three bills amounting to more than $1800 written off by the hospital. You can see here he is listed on the hospital's "purge report." The accounts (Nos. 056629, 073505, and 077356) were, of course, never turned over to a collection agency and very little effort was made to collect them. Now, it may be that Mr. Sapp received free medical care from the county, but the hospital was never paid for it.

And not only did he not pay the accounts, but on at least the last occassion, after he had already had two debts written off, the hospital provided him with itemized statements so he could collect his own insurance payment. Providing such itemized statements on unpaid accounts is strictly against hospital policy, particularly when a patient has a history of non-payment.

An average patient receiving non-emergency care would likely have had his admission postponed until he made arrangements to pay the old accounts. Yet the hospital credit department, knowing the former attorney already owed them more than $1800, sent him a nice note along with the itemized statements which read: "enclosed is a copy of your most recent hospital bill. I have been informed that you bill your insurance company direct Please use the enclosed copy of your bill for whatever you may desire. If I can be of help or assistance in any way please feel free to contact me." Now how does that compare with the computer message sent to the old lady?

I think the most ironical part of this whole story is the fact that at the time this happened the hospital was sending out a collection letter bearing Mr. Sapp's name and the county seal which read in part:

"Your unpaid account with the Columbia Hospital of Richland County (as it was then called) has been referred to this office for legal action. You are requested to make payment at once or contact the hospital credit department and make satisfactory arrangements concerning your account. Should the hospital fail to hear from you concerning payment within ten (10) days, it will be necessary for us to bring suit in order to protect the Columbia Hospital's interest."

As I said before, it all depends on who you are. There is a great distrust toward the average working man, yet the county attorney receives cordial treatment regardless of his past accounts.

Os: I'd like you to talk about the Richland County Medically Indigent Service now, if you will. I think it's an organization most people aren't familiar with.

A: Well, I doubt if I am recognized by anyone, particularly CIS, as an authority on their operation, but through constant dealings with them over the past year or so, I think I can give you an idea of at least what the effects of the organization are.

RCMIS is a very strange beast. If you read the recent story about county council's agreement to loan the hospital more money, you'll see that a great deal of that money comes from the RCMIS budget.

The indigent service purpose is to serve as a kind of social organization, providing assistance to county residents who meet income guidelines and residency requirements. Prior to 1969, when RCMIS was formed, the county, from all I've been told, apparently allotted so much money per year to the hospital to make up for losses sustained by Richland County residents.

I suppose the logic behind forming the organization was that an individual

"I think the county has done a disservice to its low-income citizens, though the hospital has had to take the blame for the deficiencies ..."

evaluation of each patient by an entity separate from the hospital itself was a better way to make sure that people who really needed the help received it. I have no arguments with such a position; it's certainly better than charging everyone for services, even those who can't afford them, and then throwing some money into the bad debt pot each month; or allowing a credit person to make a personal judgement as to a patient's need.

But in practice, the indigent service has turned out to be a combination collection bureau/ loan company as much as anything else. That's not to say they don't help people. They spend hundreds of thousands per year helping them. But they don't spend enough and they don't help enough.

Os: What do you mean, "they don't spend enough."

A: Well, as I understand it, the hospital administration presented a chart to County Council dramatizing the huge disparity between the rising costs of hospital care and the amount of assistance provided by the county. For some reason, this didn't get in the papers. While in the past ten years, hospital costs (and losses) have skyrocketed, the county has continued to pay about the same amount in dollars and cents, around $500,000per year, I think.

Now, when I say they don't help enough, I mean this. RCMIS income guidelines are so low that very few working people can qualify for help. And if you can't work, you can probably get help from some other organization.

For example, a husband and wife with seven children cannot gross more than $85.00 per week or own more that $2000 in property, including land, autos, and household items. That's absurd. And if you're over the means, nine times out of ten, you can just forget help. I remember one woman who was eighty cents over, but she was proud and unwillingly to grovel sufficiently to satisfy the director, so she was turned down. For eighty cents.

I could cite a dozen similar cases I know of personally. I remember one in particular, a young couple who had to get married while they were still in high school. The 18-year old husband was trying very hard to finish his last year of school and still support his new family, so he worked all summer, attempting to save enough money to supplement their income in the winter when he went back to school. His wife was interviewed early in her pregnancy by RCMIS and due to his summer salary, she was turned down.

In November, I think, she returned to the hospital to have her baby, and we attempted to get help for her and her husband, whose only income during school was about $80 a month he got from driving a school bus. RCMIS refused saying the couple made too much money at the time of the interview. It was pointed out to the indigent service that the family's weekly income was now about $20, below even RCMIS's guidelines, but that didn't matter. They expected the young father to save enough from his summer job to supplement his family income and pay a three or four hundred dollar maternity bill.

This sort of thing is typical. They seem more interested in having an attractive balance left over at the end of the year than in helping those who need it. In dealing with them I have found that they assume guilt until innocence is proven ... in a lot of ways, the situation is reminiscent of the old welfare department days when your caseworker might come peeking in your bedroom window at any time.

County council was very critical of the hospital during the recent loan business, but quite frankly, the hospital cannot be blamed for much of the loss incurred by borderline assistance cases whom RCMIS refuses to help. One financial person told me the hospital presented statistics at the council meeting indicating that since the move to the new facility, only 25 of 960 referrals had been approved. To me, that's shocking, because you can believe there are plenty of hard-working productive people in this county who needed help during that period, during that period, but who did not receive it, including all college students who are automatically disqualified irregardless of their financial situation.

And even if you do receive help, it is generally only in part. A number of welfare patients whose Medicaid days have expired are assisted by the county, but they generally have to pay about $50 themselves. Now $50 may not seem like a lot to the average individual, but when you receive a welfare check of $60 a month or less, it seems like a fortune. And should you own a peice of property, even if it's one acre with a shack on it, God forbid ... if you want help, you sign that land over to the county in much the same way old age assistance people under welfare are required to do.

While I'm on the subject, let me tell you about the confidential socio-economic reports taken by the RCMIS social workers when interviewing patients. Although the RCMIS handbook states all information is confidential, these reports are currently turned over to the hospital credit department where thay are often used not only to pressure people for payment, but to discover what patients own in order to bring judgements against them. I imagine this is against the law, but if not, it is sure unethical, because the patient gives this information in confidence and with the impression that he is going to receive assistance, or at least be considered for assistance. But it is a typical example of what I mean when I say they're more like a credit bureau than a social organization.

Os: Whew. Anything else?

A: Well, one other thing. It is a practice of not only RCMIS, but of the hospital itself, to encourage single mothers to go on welfare which is certainly easier to get onto than off of.

You see, most single mothers who claim no support from the father of the child are routinely approved for welfare under Aid to Families with Dependent Children. Because of this, RCMIS, in conjunction with the hospital, refers all such mothers to the county welfare worker at the hospital or to the welfare department itself.

I would guess at least 750 young mothers are added to the welfare rolls each year in Richland County alone through this practice. In fact, many times the young mothers really don't want to receive welfare, but with a $350 hospital bill staring her in the face, she has little choice.

The hospital's standpoint, if not condonable, is at least understandable. They are not primarily a social service organization involved in financial assistance. They have to keep the hospital open and therefore need the money paid by welfare for these maternity bills. But the county indigent service could undoubtedly save the county and state taxpayers a tremendous amount of money over a period of years by assisting these mothers — And even more importantly, could do the mothers a great service by allowing them to remain independent of welfare in many cases.

For example, consider the 750 patients a year going on the welfare rolls from Richland Memorial alone — I suspect the figure is much higher than that — at an average cost of $300 per patient, that comes to $22,500 a year. Now how does that compare with the costs of supporting these young mothers on welfare over a period of years, even considering the ridiculously low amount of assistance provided them by the state welfare department?

Of course, some of these mothers would continue to accept welfare, but contrary to what many people believe, statistics indicate that most young mothers are not interested in getting on welfare where a mother with one newborn child receives a maximum allotment of $62 per month.

Os: There's one point I don't understand. According to the newspapers, the $500,000 loan will come in large part from the RCMIS budget. So aren't these people you talked about earlier going to receive assistance now?

A: I seriously doubt it. The hospital will probably take the money and apply it to debts or whatever, but it is very doubtful they will go back and review individual cases, pay them off, and then use the money. It would be a tremendously difficult job.

And that brings up the most tragic point of all. Here the indigent service has denied borderline cases all year — people who really honestly needed the help — and now all the money is loaned to the hospital in a lump sum ... so the hospital is better off, but what about all the patients who needed the help? The hospital will probably continue to bill them, turn them over to collection agencies, and bring judgements against their belongings.

So what useful purpose has the indigent service provided? Frankly, I think the county has done a disservice to its low-income citizens, though the hospital has had to take the blame for the deficiencies.

Os: Any recommendations?

A: None that haven't already been made by the hospital. If you remember, one of their alternatives was that the county revise the governance of its health and hospital services. I'd say they were talking about RCMIS, which by the way, also fails to assist a lot of clinic patients. I'm personally in favor of revising the entire health structure, not only in the county but in the country. But that's another interview.